

Introduced by Senator Walters

February 18, 2010

An act to amend Section 5898.24 of the Streets and Highways Code, relating to contractual assessments.

LEGISLATIVE COUNSEL'S DIGEST

SB 1219, as introduced, Walters. Contractual assessments.

Existing law authorizes a legislative body of any public agency to determine that it would be convenient and advantageous to designate an area within which authorized officials and free and willing property owners may enter into contractual assessments to finance specified improvements to real property. Existing law requires a legislative body that undertakes to establish and administer a program of contractual assessments to comply with specified procedures, including, but not limited to, providing specified notice to all water and electric providers within the boundaries of the area within which contractual assessments may be entered.

This bill would require a legislative body to additionally give specified notice to all sewer providers within the boundaries of the area within which contractual assessments may be entered.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 5898.24 of the Streets and Highways
- 2 Code is amended to read:
- 3 5898.24. (a) A legislative body shall publish notice of a hearing
- 4 pursuant to Section 6066 of the Government Code, and the first

1 publication shall occur not later than 20 days before the date of
2 the hearing.

3 (b) A legislative body shall provide written notice of a proposed
4 contractual assessment program to all water, *sewer*, or electric
5 providers within the boundaries of the area within which voluntary
6 contractual assessments may be entered into not less than 60 days
7 prior to adoption of any resolution pursuant to Section 5898.26.

8 (c) (1) A legislative body administering a voluntary contractual
9 assessment program shall designate an office, department, or
10 bureau of the local agency that shall be responsible for annually
11 preparing the current roll of assessment obligations by assessor's
12 parcel number on property subject to a voluntary contractual
13 assessment.

14 (2) The designated office, department, or bureau shall establish
15 procedures to promptly respond to inquiries concerning current
16 and future estimated liability for a voluntary contractual
17 assessment. Neither the designated office, department, or bureau,
18 nor the legislative body, shall be liable if any estimate of future
19 voluntary contractual assessment liability is inaccurate, nor for
20 any failure of any seller to request notice pursuant to this chapter
21 or to provide the notice to a buyer.

22 (d) For purposes of enabling sellers of real property subject to
23 a voluntary contractual assessment to satisfy the notice
24 requirements of Section 1102.6b of the Civil Code, the legislative
25 body shall cause to be recorded in the office of the county recorder
26 for the county in which the real property is located, concurrently
27 with the instrument creating the voluntary contractual assessment,
28 a separate document that meets all of the following requirements:

29 (1) The title of the document shall be "Payment of Contractual
30 Assessment Required" in at least 14-point boldface type.

31 (2) The document shall include all of the following information:

32 (A) The names of all current owners of the real property subject
33 to the contractual assessment, and the legal description and the
34 assessor's parcel number for the affected real property.

35 (B) The annual amount of the contractual assessment.

36 (C) The date or circumstances under which the contractual
37 assessment expires, or a statement that the assessment is perpetual.

38 (D) The purpose for which the funds from the contractual
39 assessment will be used.

1 (E) The entity to which funds from the contractual assessment
2 will be paid and specific contact information for that entity.

3 (F) The signature of the authorized representative of the
4 legislative body to which funds from the contractual assessment
5 will be paid.

6 (e) The recorder shall only be responsible for examining the
7 document required by subdivision (d) and determining that it
8 contains the information required by subparagraphs (A), (E), and
9 (F) of paragraph (2) of subdivision (d). The recorder shall index
10 the document under the names of the persons and entities identified
11 in subparagraphs (A) and (E) of paragraph (2) of subdivision (d).
12 The recorder shall not examine any other information contained
13 in the document required by subdivision (d).